



Department of Energy
Acquisition Regulation

No. 94-12

Date August 12, 1994

ACQUISITION LETTER

AUTHORITY

This Acquisition Letter (AL) is issued by the Procurement Executive pursuant to a delegation from the Secretary and under the authority of the Department of Energy Acquisition Regulation (DEAR) Subpart 901.301-70.

CONTENTS

CITATION

TITLE

970.1901

Small Business and Small
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919.501

Set-Asides for Small Business

970.7104-12

Small Business and Small
Disadvantaged Business Concerns

- I. Purpose. Acquisition Letters 94-2 and 94-2R are hereby canceled and their content incorporated herein,

Among other things, ALs 94-2 and 94-2R authorized a number of acquisition tools to expand opportunities for small business, small disadvantaged business, and 8(a) certified firm participation in the award of subcontracts by the Department of Energy (DOE) management and operating (M&O) and certain other contractors. This AL provides additional authorities to further expand subcontracting opportunities for such firms and for women-owned small businesses.

With issuance of this AL, DOE M&O contractors are further authorized to: reserve purchases of \$50,000 or less exclusively for small disadvantaged businesses or women-owned small businesses; award purchases of \$25,000 or less to small disadvantaged and women-owned small business concerns without securing competitive quotations; and reserve purchases at any dollar value for competition exclusively among small disadvantaged or women-owned small businesses.

- II. Background. The Administration and the Department have identified contractor diversity as a priority strategic objective. This Acquisition Letter is issued to assist in the achievement of this objective and to ensure that DOE contractors have adequate procurement tools to achieve the subcontracting requirements of Public Law 95-507 (15 U.S.C. 631 et. seq.).

businesses where there is a reasonable expectation that bids, competitive as to price, quality, and delivery, will be obtained from two or more responsible firms of the appropriate type.

2. M&O contractors are authorized to award purchases of \$25,000 or less to small disadvantaged and women-owned small business concerns without securing competitive quotations. If such a program is instituted, the M&O contractor shall assure that awards are made at fair market prices.
3. M&O contractors are authorized to provide for a program in their purchasing systems and methods that will result in the award of purchases with a value of \$3 million or less, or \$5 million or less for construction, on a noncompetitive basis to firms certified as participants in the Small Business Administration's 8(a) Program. If such a program is instituted, the M&O contractor shall assure that awards are to be made at fair market prices and reported to the contracting officer.
4. M&O contractors are authorized to reserve purchases at any dollar value, for competition exclusively among small disadvantaged businesses and women-owned small businesses. If such a program is instituted, the M&O contractor shall assure that awards are made at fair market prices.

For purposes of the foregoing:

The term "Small Disadvantaged Business" has the same meaning as that term is defined in the Federal Acquisition Regulation (FAR) provision at 52.219-2, Small Disadvantaged Business Concern Representation.

The term "Women-owned Small Business" has the same meaning as that term is defined in the FAR provision 52.219-3, Women-owned Small Business Representation.

- IV. Effective Date. This Acquisition Letter is effective on the date of issuance.
- V. Expiration Date. This Acquisition Letter is effective until canceled or superseded.